



## Education Advocate

### Annapolis 2016: How Public Education Fared

Education was a hot topic in Annapolis during the General Assembly's 2016 legislative session. Operating and capital funding, community schools, and pre-K were just some of the issues the ACLU of Maryland's Education Reform Project tackled. Read highlights of our work during the 2016 session, and, for all you budget nerds, scroll to the bottom for a more in-depth discussion of funding for City Schools.

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#### Advocating for State Education Funding

##### State education formula fully funded

- The Governor fully funded the State education funding formula [this year](#) thanks in part to the hard work of the ACLU, education advocates, and legislative leaders [last year](#).
- The fight over Gov. Hogan's cuts to the Geographic Cost of Education Index (GCEI) last year led the legislature to [pass a law on the last day](#) of the 2015 legislative session requiring full funding for FY17. The Governor chose not to fight the mandate.

##### ACLU, legislature pressure Governor to fund Baltimore schools

- Despite funding the formula, Gov. Hogan's proposed budget showed City Schools losing \$25 m. in state education funding due to an enrollment loss and an increase in Baltimore City's wealth relative to other counties.

- The Governor provided extra funding to three other counties with enrollment losses. ACLU worked with the City delegation, other legislative leaders, and the Baltimore Education Coalition to [pressure the Governor](#) to include City Schools in that group.
- The Governor added \$12.7 m. for Baltimore City Schools in a supplemental budget, a tremendous win for City children.
- Because some of the loss in state funding was due to an increase in the City's wealth, legislative leaders [required Baltimore City](#) to provide \$10 m. to City Schools above their FY16 allocation.
- The combined additional State and City contributions restore \$22.7 m. of the original \$25 m. loss - still less funding than in the prior year but not as drastic a loss.

### City Schools' funding protected from impact of TIFs

- House Appropriations Committee Chair Del. Maggie McIntosh shepherded through the legislature [a bill](#) that prevents City Schools from [losing State education aid](#) due to any Tax Increment Financing (TIF) arrangements that impact the measurement of the City's wealth over the course of the next three years.

### Some education funding still awaiting Governor's release

- For the second year in a row, legislators made cuts to Gov. Hogan's proposed budget and [reallocated the funds](#) toward their own priorities, including \$6.1 m. for the oldest school buildings in the state - the Aging Schools program - and \$19 m. to help localities with increased pension costs.
- The question is: Will the Governor release the "fenced-off" funds post-legislative session? Last year he did not and schools across the state suffered due to reduced GCEI funding.

## Improving School Facilities' Conditions

### State school construction funding remains steady at \$280 m.

- The capital budget included \$280 m. for state school construction and repair projects - BUT school districts [submitted \\$599 m.](#) in project requests.
- Baltimore City is dependent on this funding to address dozens of [systemic repairs](#) each year to keep school building minimally functional - i.e. fixing leaky roofs, updating fire alarm systems, and replacing boilers and HVAC systems. City Schools has received \$24.6 m. for FY17 (with 10% of state funds left to be allocated).

### Battle over setting priorities for school construction

- Through [language in the capital budget](#), the legislature chose to end the annual "beg-a-thon," where local school superintendents appear

before the Board of Public Works to plea for more school construction dollars.

- They also repudiated Comptroller Peter Franchot's proposal to press school districts - particularly [Baltimore county](#) and City - to purchase portable window air conditioning units with state capital dollars, contending that these temporary units do not have the life span to qualify for capital dollars and that they increase maintenance costs.

### Additional \$20 m. given to growing counties

- Legislators passed [a bill](#) that increases from \$20 m. to \$40 m. a program first begun in 2016 for counties with significant student enrollment growth and/or a large number of relocatable classrooms.
- The ACLU [testified against](#) this bill because it prioritizes one facility need over others and does not consider district wealth and local capacity to address dire school construction needs statewide.
- The ACLU recommended that the newly established [21st Century Schools Commission](#) study school facility needs and local capacity before approving additional school construction dollars for specific counties.

### Funding for private and religious school facilities continued

- For a third straight year, the legislature approved the Governor's allocation of \$3.5 m. in the capital budget for private and religious school buildings.
- Given a \$15 b. need for public school facilities statewide, the ACLU opposed this allocation.

## Laying the Groundwork for a Better State Funding Formula

As the study reviewing Maryland's education funding formula moves forward, the ACLU worked on several bills this session that should help pave the way toward formula changes that will benefit Maryland's most at-risk children.

### Adequacy study commission created

- ACLU supported [legislation](#) creating the Commission on Innovation and Excellence, a formal body of legislators and other appointees to review the ongoing study of Maryland's education funding formula.
- This is an essential step to provide the legislature with formal oversight of the review process, which includes [over ten concurrent studies](#).
- The commission will digest the studies, consider recommendations, issue a final report Dec. 2017, and negotiate the parameters of a new formula that adequately funds the preparation of students to meet state standards, potentially for legislative session 2018.

### Importance of prekindergarten highlighted during session

- The ACLU worked with Sen. Joan Carter Conway and Del. Alonzo Washington on legislation to fully fund full- and half-day prekindergarten programs currently offered by local school districts for low-income children through the State education funding formula. The budget committees were supportive but not ready to pass legislation with a [\\$85 million fiscal impact](#); they agree the issue must be addressed in the adequacy study.
- Two other pre-K bills did move forward: Del. Platt & Sen. Ferguson's [prekindergarten notification bill](#) will require social services and local health departments to notify parents and guardians of a child's eligibility for public pre-K programs. Del. Rosenberg & Sen. King's [preschool development grants](#) mandates \$11.1 m. in state funding over two years to match \$30 m. in federal grants for current pre-k programs, serving additional children. This bill is awaiting the Governor's signature.

### Progress made on Community Schools. Next step: funding formula

- With strong support from a broad coalition including the ACLU, Del. Mary Washington's [community schools bill](#) will require MSDE to provide notice of federal and state funds available to local school districts looking to implement the strategy.
- An important approach toward fostering achievement of low-income students, the community schools strategy provides educational supports rooted in wrap-around services for students and families; inclusion of the community schools strategy will be an important goal for the State education funding formula.

## Other Significant Actions on Education

### Legislature establishes voucher program for private & religious schools

- While public schools continue to struggle with large class sizes and lack of support for struggling students, the General Assembly chose to create a new \$5 million program to give public dollars to students in private schools.
- Overseen by MSDE and an advisory board, the scholarship program will be created for students eligible for free or reduced-price lunch to attend private and religious schools that currently receive state funding for tech and textbooks.
- The program was initially proposed as a separate bill, which did not pass, but was added as an [amendment to the Budget bill](#).

### Baltimore school police language added to budget

- [Recent incidents](#) involving the Baltimore City school police [prompted action](#) from the budget committees to require City Schools to address policing concerns by Nov. 1, 2016.
- City Schools must report to the budget committees on its system of collecting data of student arrests and referrals, as well as other data points.

- In addition, the Board of Commissioners must certify that it has created a formal committee on school discipline issues, which will define goals and review best practices for discipline and school police training.

### Education Collaborative focused on diversity to be created

- Sen. Bill Ferguson pushed through a new [quasi-public education collaborative](#) – Maryland Education Development Collaborative (EDCo).
- The EDCo will study and disseminate across the state ideas on innovative school design and 21st Century learning that promote socioeconomically diverse schools.

### Two elected members to be added to City school board

- Del. Cheryl Glenn's [bill to change the composition](#) of the Baltimore City Board of School Commissioners (established by the City-State partnership in 1996) by electing two additional members passed with support of the City Delegation. The two will be selected in citywide elections in 2022.
- The current appointment process for the other nine members will continue: vetting of names by the State Board of Education according to qualifications set out in law, and joint appointment of all members by the Mayor of Baltimore City and the Governor.
- An [amendment](#) added the last evening of the legislative session further provides that a Baltimore City Delegate and Senator shall be added as non-voting members to the selection committee for the next CEO of the Baltimore City School System.

## In-depth Budget Explainer

While the Governor settled most education funding issues by fully funding the State education funding formula, City Schools faced a unique threat this year from the dual issues of a declining enrollment and increased wealth of the City of Baltimore.

The threat represented a \$25 m. reduction in funding to Baltimore City schools. Combined with the loss of \$23 m. last year, City Schools was facing the prospect of losing nearly \$50 m. in state aid over two years.

The loss of aid was not due to a cut by the Governor as was the case last year, but because of an enrollment loss of 1,920 students and an increase in the wealth of the City (as a jurisdiction's assessed wealth goes up, state education aid goes down). ACLU documented that this loss would have lowered City Schools' per pupil funding to roughly the amount it received four years ago. All the while, the school system has seen costs for health care, pensions, and other expenses increase over that period due to inflation.

Pressure from the ACLU and others helped move the Governor to include Baltimore City with three other counties he sought to increase funding for that had also lost enrollment. Legislators were poised to delete funding for those three

counties unless the same funding addition (restoration of 50% of State education funding loss) was made for Baltimore. The Governor put \$12.7 m. for Baltimore City Schools in his third supplemental budget.

The other component for restoring funding comes from the City of Baltimore. Annapolis leaders, including those from Baltimore, concluded that if the City had actual new revenue because of the increase in assessed wealth, then part of that new revenue should go toward the school system.

After much negotiation, and with ACLU and the Baltimore Education Coalition agreeing that the City must play a role, language was added to the state budget requiring Baltimore City to give \$10 m. over the FY16 appropriation to City Schools (or the same amount would be withheld from a state grant to Baltimore). This \$10 m. will be given in two portions, \$5 m. initially and another \$5 m. in January after the city and school system deliver a required report to Annapolis examining potential ways to trim shared costs.

These two sources combine for a \$22.7 m. restoration to the original \$25 m. loss.

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